



STAFF REPORT
Economic Development

Title: 2021 Parking Rates
Report Number: CAO2020-011
Author: Christine Tettman, Brad Witzel
Meeting Type: Council Meeting
Council/Committee Date: September 21, 2020
File: N/A
Attachments: Appendix A – Parking Fees & Charges
Ward No.: Uptown Ward 7

Recommendations:

1. That CAO2020-011 be approved.
2. That Council approve no hourly parking rate increase for 2021 (0%) as set out in Table #1 of report CAO2020-011.
3. That Council approve in principle the 2022-2030 hourly parking rate forecast as set out in Table #1 of report CAO2020-011.
4. That Council approve no monthly parking permit rate increase for 2021 (0%) as set out in Table #2 of report CAO2020-011.
5. That Council approve in principle the 2022-2030 monthly parking permit rate forecast as set out in Table #2 of report CAO2020-011.
6. That Council approves the Parking Fees and Charges By-law updates, as attached as Appendix A to CAO2020-011, effective as of the dates noted, and that the Fees and Charges By-law is updated accordingly.
7. That Council direct staff to make the necessary administrative changes to the 2021 and 2022 budget figures based on the recommended 2021-rate freeze.

A. Executive Summary

As previously directed by Council, Economic Development and Finance staff have collaborated to create a parking rate model. The model includes a growth factor to establish parking fees and was to be created with parking operating and capital expenses fully funded by parking revenue. In 2020, the Parking Enterprise will experience a significant revenue loss due to COVID-19. However, the relief provided to the local community through waiving parking permit and paid hourly fees was a necessary measure to support local economic recovery efforts. Similarly, for 2021 staff are recommending freezing monthly parking permit rates and paid hourly rates to offer ongoing support into 2021 assisting with the local economy recovery efforts.

B. Financial Implications

Parking fees are intended to fully fund parking operating and capital expenses (including estimated inflationary cost), future surface/structured parking expansion (new structured parking to be operationally breakeven) and maintain an adequate City Parking Reserve balance. Staff has developed a model using an annual growth factor of 1.5% in permit and hourly revenue to establish the recommended parking fees.

The 2020 hourly parking revenue budget is approximately \$150,000. The 2021 hourly parking revenue budget will remain at 2020 levels as a result of the 0% increase to 2021 hourly fees. The 0% increase to the 2021 hourly parking rates and the 2022-2030 forecasted hourly parking rates are presented below in Table #1.

The 2020 monthly parking permit revenue budget is approximately \$650,000. The 2021 monthly parking permit revenue budget will remain at 2020 levels as a result of the 0% increase to 2021 monthly parking permit fees. This monthly parking permit rate “freeze” will save permit holders approximately \$27 for the year (based on a Tier I / II permit). The 0% increase to the 2021 monthly parking permit rates and the 2022-2030 forecasted monthly parking permit rates are presented below in Table #2.

C. Technology Implications

There are no technology implications with this report.

D. Link to Strategic Plan

(Strategic Objectives: Equity, Inclusion and a Sense of Belonging; Sustainability and the Environment; Safe, Sustainable Transportation; Healthy Community & Resilient Neighbourhoods; Infrastructure Renewal; Economic Growth & Development)
Safe, Sustainable Transportation

(Guiding Principles: Equity and Inclusion; Sustainability; Fiscal Responsibility; Healthy and Safe Workplace; Effective Engagement; Personal Leadership; Service Excellence)

- Fiscal responsibility - fiscal responsibility entails operating within a framework of policies and processes intended to improve fiscal outcomes and support longer-term financial health, in an environment of transparency and objective measurement.
- Safe, sustainable transportation - improve all modes of transportation to make Waterloo more mobile, accessible & connected.

E. Previous Reports on this Topic

- CAO2019-022 – 2020 Parking Rates
- CAO2018-019 – 2019 Parking Rates
- CAO2017-027 – 2018 Parking Rates
- IPPW2016-094 – 2016 Parking Rates
- IPPW2016-057 – Parking Utilization Study and Future Impact Analysis

F. Approvals

Name	Signature	Date
Author: Christine Tettman		
Author: Brad Witzel		
Director: Justin McFadden		
Commissioner: N/A		
Finance: Filipa Reynolds		

CAO



2021 Parking Rates CAO2020-011

Section #1 – Background

The City of Waterloo operates [16 surface parking lots](#) and one parking structure (Parkade) within the uptown core. These parking facilities are a mixture of permit parking, 'no charge' hourly parking and some paid hourly parking.

In 2008, Waterloo City Council approved the Uptown Waterloo Parking Strategy. One of the six guiding principles of the Parking Strategy recommended the Municipal Parking System operate as a financially self-sustaining parking enterprise in order to deliver services that support good urban design, economic development and transportation demand management.

Specifically, the Parking Strategy recommended moving to a tiered pricing structure and 10% annual parking rate increases were approved for 2010-2014. Parking rates were then frozen to support local businesses during ION and streetscape construction from 2015-2018. When considering 2015 parking rates, Council directed staff to create a parking financial rate model that would show parking funded entirely by parking fees. That financial model was presented to Council via CAO2017-027 and was used as part of report CAO2020-011 to set the 2021 parking rates and 2022-2030 forecasted parking rates.

Section #2 – COVID-19 Relief

One of the COVID-19 relief measures approved by Council in 2020 was to waive monthly parking permit fees for the months of April, May and June. Additionally, monthly parking permit fees were discounted for July (75% discount), August (50% discount) and September (25%). This relief was a necessary measure to support the local community, but will result in a significant revenue loss for the Parking Enterprise. In 2020, the Parking Enterprise is estimated to experience reduced revenues in the range of \$500,000 (depending on revenue generation for the balance of 2020). Similarly, for 2021 staff are recommending freezing monthly parking permit rates and paid hourly rates to offer ongoing support into 2021 assisting with the local economy recovery efforts.

Section #3 – 2021 Parking Rates

The parking rate model includes the following factors:

- an annual growth factor to establish parking rates
- parking operating and capital expenses fully funded by parking fees
- continues to maintain 'no charge' parking (2 Hours FREE) in our uptown surface lots through the approved annual contribution from the tax base (approved as part of the 2019 budget)
- parking contributing to the general tax base for its share of corporate resources utilized – overhead (approved as part of the 2019 budget)

Hourly Rates:

For 2021, staff are recommending no hourly parking rates increase (0%). For the 2022-2030 forecast, it is recommended that for administrative and customer ease of use purposes that the hourly rates increase by \$0.25 every three years (annual average increase equates to approximately 2%-3%). With the hourly parking rates increasing by \$0.25 in 2019, the next increases are planned for 2022, 2025 and 2028.

Table #1 - Recommended Parking Enterprise Hourly Rates:

Recommended Parking Enterprise Hourly Rates:

Year	2020 Approved	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Surface Lots Hourly (Pay & Display or Honk Mobile):											
Rate (\$/hour)	3.00	3.00	3.25	3.25	3.25	3.50	3.50	3.50	3.75	3.75	3.75
Rate Increase (\$)	-	-	0.25	-	-	0.25	-	-	0.25	-	-
Rate Increase (%)	0%	0%	8%	0%	0%	8%	0%	0%	7%	0%	0%
Parking Structure (Parkade):											
Rate (\$/hour)	3.50	3.50	3.75	3.75	3.75	4.00	4.00	4.00	4.25	4.25	4.25
Rate Increase (\$)	-	-	0.25	-	-	0.25	-	-	0.25	-	-
Rate Increase (%)	0%	0%	7%	0%	0%	7%	0%	0%	6%	0%	0%

Monthly Permit Rates:

For 2021, staff are recommending no permit parking rates increase (0%). For the 2022-2030 forecast, it is recommended that monthly parking permit rates increase by 3% annually.

Table #2 - Recommended Parking Enterprise Permit Rates:

Recommended Parking Enterprise Permit Rates:

Year	2020 Approved	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Surface Lots Permit (Tier I) -	118.29	118.29	121.84	125.50	129.27	133.15	137.14	141.25	145.49	149.85	154.35
Surface Lots Permit (Tier I) -	2.32	-	3.55	3.66	3.77	3.88	3.99	4.11	4.24	4.36	4.50
Surface Lots Permit (Tier I) -	-	0%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Surface Lots Permit (Tier II) -	111.32	111.32	114.66	118.10	121.64	125.29	129.05	132.92	136.91	141.02	145.25
Surface Lots Permit (Tier II) -	2.18	-	3.34	3.44	3.54	3.65	3.76	3.87	3.99	4.11	4.23
Surface Lots Permit (Tier II) -	-	0%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Surface Lots Permit (Tier III) -	105.76	105.76	108.93	112.20	115.57	119.04	122.61	126.29	130.08	133.98	138.00
Surface Lots Permit (Tier III) -	2.07	-	3.17	3.27	3.37	3.47	3.57	3.68	3.79	3.90	4.02
Surface Lots Permit (Tier III) -	-	0%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Surface Lots Permit (Tier IV) -	80.71	80.71	83.13	85.62	88.19	90.84	93.57	96.38	99.27	102.25	105.32
Surface Lots Permit (Tier IV) -	1.58	-	2.42	2.49	2.57	2.65	2.73	2.81	2.89	2.98	3.07
Surface Lots Permit (Tier IV) -	-	0%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Parking Structure (Parkade) -	153.07	153.07	157.66	162.39	167.26	172.28	177.45	182.77	188.25	193.90	199.72
Parking Structure (Parkade) -	3.00	-	4.59	4.73	4.87	5.02	5.17	5.32	5.48	5.65	5.82
Parking Structure (Parkade) -	-	0%	3%	3%	3%	3%	3%	3%	3%	3%	3%

*Permit rates are before applicable taxes

Surface Lots Permit (Tier I): Alexandra Lot, Caroline North Lot, Caroline South Lot, Herbert Lot, Regina Lot, Station Lot, William Lot, Waterloo Town Square South Lot

Surface Lots Permit (Tier II): Dupont Lot, Library Lot, Temporary Lot B

Surface Lots Permit (Tier III): Museum Lot, WMRC

Surface Lots Permit (Tier IV): Willow Lot, Bauer Lot

Section #4 – Parking Reserve

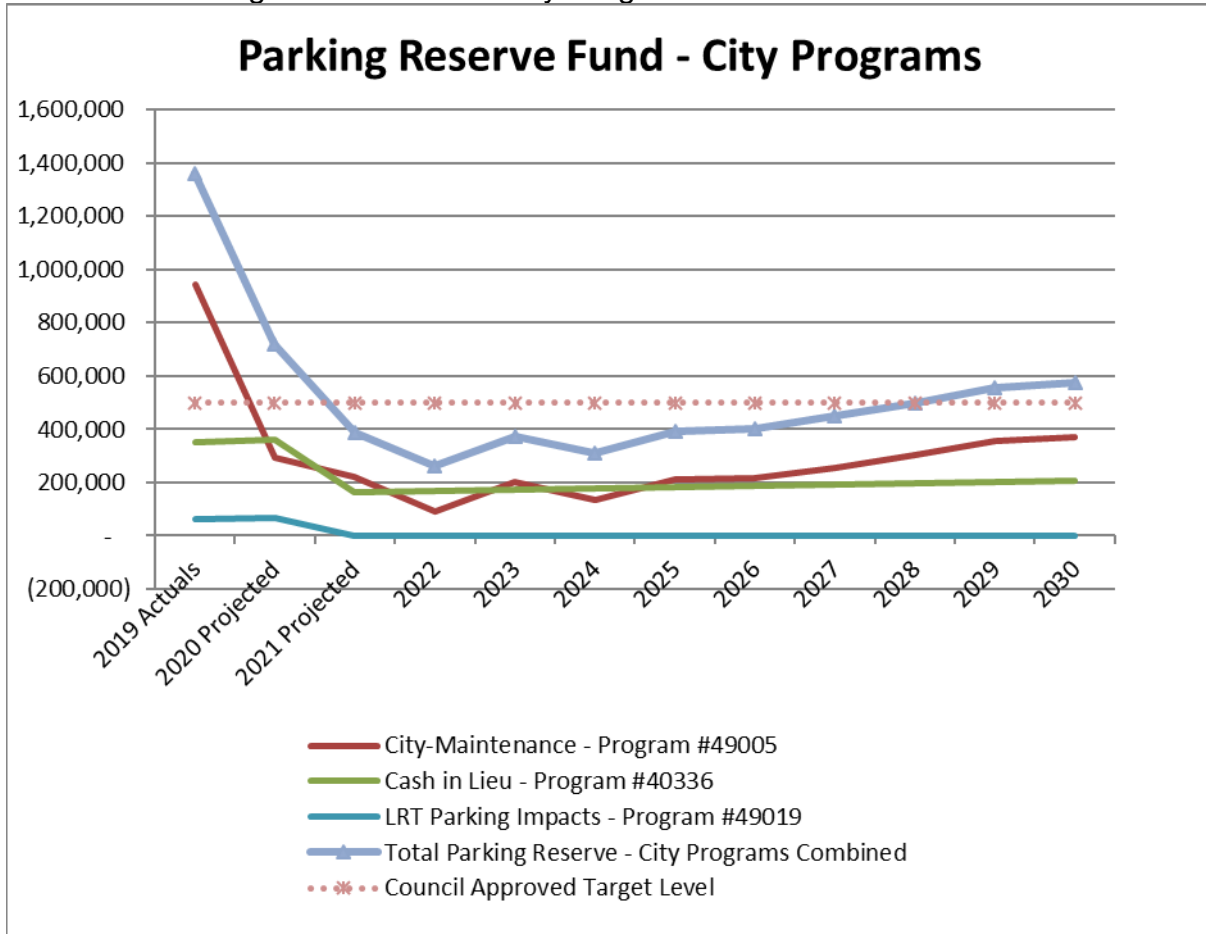
The Parking Reserve (City programs) is comprised of three (3) separate City sources; Cash-in-lieu of Parking, LRT Parking Impacts and City Maintenance.

- Cash-in-lieu: funds are to be used for the generation of future parking spaces
- LRT Parking Impacts: funds are to be used to replace parking spaces lost as a result of LRT
- City Maintenance: funds are to be used for:
 - capital maintenance of any City parking infrastructure and related components, including parking related technology;
 - design and construction of new City parking infrastructure and the associated land, including financial costs;
 - costs associated with parking related studies, analysis, policy or strategy development, including those involving external consultants; and
 - operating deficit incurred by the Parking Enterprise, if any.

**City Maintenance program also receives any operating surplus realized by the Parking Enterprise.*

The approved minimum balance for the Parking Reserve Fund (combined) is \$500,000. This minimum balance is required to mitigate risk as parking continues to move toward a self-sustaining enterprise. However, due to the significant impacts on the Parking Enterprise in 2020 due to COVID-19 and the anticipated ongoing revenue impacts in 2021 (monthly parking permit sales are estimated to be at approximately 60% of normal levels), the Parking Reserve Fund is projected to fall below \$500,000 in 2021. It is estimated that the Parking Reserve Fund would then return to above the minimum balance by 2028/2029 depending on various factors. Staff will continue to monitor and make further adjustments as required.

Chart #1 - Parking Reserve Fund - City Programs:



Section #5 – Local Comparators

For comparison purposes, staff is providing local municipality’s hourly and monthly parking permit rate information for 2020. When comparing parking rates across different municipalities we also need to consider other factors that could be affecting the rates including but not limited to:

- is the municipality operating parking as a self-sustaining enterprise and establishing rates accordingly?
- does the municipality subsidize parking through tax base or other contributions?
- what type of public transit system does the municipality offer reducing the reliance on parking?
- is 'no charge' parking provided on-street or off-street as an Economic Development investment in downtown core areas?

Parking is a unique public service and municipalities often vary in how they approach the provision of parking. As such, it is important to utilize the local comparator information as guidance vs. a direct rate comparison.

Table #3 Hourly Rates Comparison:

Parking Rate Comparison - Hourly (2020 Rates)						
<u>Municipality</u>	<u>On-Street Free Parking</u>	<u>On-Street (\$/hr)</u>	<u>Off-Street Free Parking</u>	<u>Off-Street (\$/hr)</u>	<u>Parking Structure Free Parking</u>	<u>Parking Structure (\$/hr)</u>
Waterloo	Yes (No Charge 1-3 hrs)	N/A	Yes (No Charge 1-2 hrs)	\$3.00	No	\$3.50
Barrie	No	\$1.25	No	\$1.00	No	\$1.25
Brampton	No	\$1-\$2	No	\$2.00	Yes (No Charge 1st hr)	\$2.00
Burlington	No	\$1.75	Yes (Evenings & Weekends and During the month of December)	\$1.75	Yes (Evenings & Weekends and During the month of December)	\$1.75
Cambridge	Yes (No Charge up to 3 hrs)	N/A	Yes	\$1.00	N/A	N/A
Guelph	Yes (No Charge up to 2 hrs - once per day)	\$2.25	No	\$2.25	No	\$2.25
Kitchener	Yes (No Charge up to 2 hrs)	N/A	No	\$2.40-\$2.90	No	\$2.90-\$3.30

*HST Included

Table #4 - Monthly Permit Rates Comparison:

Parking Rate Comparison - Monthly Permit (2020 Rates)				
Municipality	Surface Lot	Surface Lot	Surface Lot	Parking Structure
	Permit (\$/Month) -	Permit (\$/Month) -	Permit (\$/Month) -	
	Tier I	Tier II	Tier III	Permit (\$/Month)
Waterloo	\$118.29	\$111.32	\$105.76	\$153.07
Barrie	\$60.00 (or \$576.00 per year)	\$75.00	\$85.00	\$85.00
Brampton	N/A	N/A	N/A	\$44.00 (or \$308.00 per year)
Burlington	\$132.00	\$83.00	N/A	\$132.00
Cambridge	\$93.00	\$60.00	N/A	N/A
Guelph	\$155.60	\$76.07	\$69.16	\$155.60-\$161.36
Kitchener	\$140.35	\$116.64	N/A	\$159.38-\$177.83

*HST Not Included

**Some Municipalities offer lower rates for lots outside of the general Uptown/Downtown area which are not included above

Appendix A – Parking Fees & Charges

Appendix A – Parking Fees & Charges

	Effective		Effective		
	Fee	Date of	Fee	Date of	
Monthly Parking					
Waterloo Town Square South Lot	\$118.29	01-Jan-20	\$118.29	01-Jan-21	0.0%
Caroline North & South Lot	\$118.29	01-Jan-20	\$118.29	01-Jan-21	0.0%
Caroline North Lot - 24 hr	\$119.85	01-Jan-20	\$119.85	01-Jan-21	0.0%
Caroline North Lot - overnight	\$51.00	01-Jan-20	\$51.00	01-Jan-21	0.0%
Alexandra Lot	\$118.29	01-Jan-20	\$118.29	01-Jan-21	0.0%
Alexandra Lot - overnight	\$51.00	01-Jan-20	\$51.00	01-Jan-21	0.0%
Regina Lot	\$118.29	01-Jan-20	\$118.29	01-Jan-21	0.0%
Station Lot	\$118.29	01-Jan-20	\$118.29	01-Jan-21	0.0%
Dupont Lot	\$111.32	01-Jan-20	\$111.32	01-Jan-21	0.0%
Herbert Lot	\$118.29	01-Jan-20	\$118.29	01-Jan-21	0.0%
Library Lot	\$111.32	01-Jan-20	\$111.32	01-Jan-21	0.0%
Perimeter Lot	\$111.32	01-Jan-20	\$111.32	01-Jan-21	0.0%
Temporary Lot B	\$111.32	01-Jan-20	\$111.32	01-Jan-21	0.0%
William Lot	\$118.29	01-Jan-20	\$118.29	01-Jan-21	0.0%
Museum Lot	\$105.76	01-Jan-20	\$105.76	01-Jan-21	0.0%
Waterloo Memorial Recreation Centre	\$105.76	01-Jan-20	\$105.76	01-Jan-21	0.0%
Bauer Lot	\$80.71	01-Jan-20	\$80.71	01-Jan-21	0.0%
Rink in the Park Lot	\$80.71	01-Jan-20	\$80.71	01-Jan-21	0.0%
Willow Lot	\$80.71	01-Jan-20	\$80.71	01-Jan-21	0.0%
Permit Replacement Fee (Surface Lot)	\$28.00	01-Jan-20	\$28.00	01-Jan-21	0.0%
Parkade - 24 hr	\$153.07	01-Jan-20	\$153.07	01-Jan-21	0.0%
Parkade (Overnight and Weekends)	\$62.00	01-Jan-20	\$62.00	01-Jan-21	0.0%
Permit Replacement Fee (Parkade)	\$28.00	01-Jan-20	\$28.00	01-Jan-21	0.0%
Hourly, Daily Parking					
Surface Lots with Pay and Display Machines (hourly)	\$3.00	01-Jan-20	\$3.00	01-Jan-21	0%
Parkade (hourly, Mon-Fri, 8am-9pm)	\$3.50	01-Jan-20	\$3.50	01-Jan-21	0%
Parkade (Daily max. rate Mon-Fri, 8am-9pm)	\$17.00	01-Jan-20	\$17.00	01-Jan-21	0%
Parkade (Flat rate Mon-Fri, 9pm-Midnight)	\$3.50	01-Jan-20	\$3.50	01-Jan-21	0%
Parkade (Flat rate Mon-Fri, Midnight-8am)	\$3.50	01-Jan-20	\$3.50	01-Jan-21	0%
Parkade (All-day flat rate, Sat. or Sun)	\$3.50	01-Jan-20	\$3.50	01-Jan-21	0%
<i>Note: the above Hourly & Daily Parking rates are shown including applicable taxes.</i>					
Bike Locker Rental					
Bike Locker Rental - monthly fee*	\$10.00	01-Jan-20	\$10.00	01-Jan-21	0%
<i>*minimum 4 month rental term, with \$30.00 security deposit</i>					
Surface Parking Lot Rental					
Surface Parking Lot Rental Fee / Day	N/A	01-Jan-20	N/A	01-Jan-21	0%
Not for profit run events (free admission) / Day	\$400.00	01-Jan-20	\$400.00	01-Jan-21	0%
Not for profit run events (ticketed event) / 8 hours	\$660.00	01-Jan-20	\$660.00	01-Jan-21	0%
Not for profit run events (ticketed event) / each additional hour	\$78.00	01-Jan-20	\$78.00	01-Jan-21	0%
For profit run events (ticketed event) / 8 hours	\$920.00	01-Jan-20	\$920.00	01-Jan-21	0%
For profit run events (ticketed event) / each additional hour	\$208.00	01-Jan-20	\$208.00	01-Jan-21	0%
Other Parking Lot Use					
Parking Lot Occupancy Permit application fee	\$125.00	01-Jan-20	\$125.00	01-Jan-21	0%
Daily occupancy per space	\$6.00	01-Jan-20	\$6.00	01-Jan-21	0%
Electric Vehicle Charging Station					
Electric Vehicle Charging Station (city owned) user fee - per hour	\$1.50	01-Jan-20	\$1.50	01-Jan-21	0%